



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

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**Requirement for obtaining prior approval of RBI in cases of  
acquisition or transfer of control of NBFCs (excluding Primary Dealers)**

The Reserve Bank of India has today issued directions to all the non-banking financial companies (NBFCs), both deposit accepting and non-deposit accepting, stating that prior approval of the Reserve Bank is required in case of any [takeover/acquisition of shares of an NBFC; or merger/amalgamation of an NBFC](#) with another entity; or any merger/amalgamation of an entity with an NBFC, that would give the acquirer/ another entity control of the NBFC, or would result in acquisition/transfer of shareholding in excess of 10 percent of the paid up capital of the NBFC. The said requirement is applicable to all NBFCs, irrespective of it being a deposit taking or a non-deposit taking NBFC. Prior written approval of the Reserve Bank would also be required before approaching the Court or Tribunal under Section 391-394 of the Companies Act, 1956 or Section 230-233 of Companies Act, 2013 seeking order for mergers or amalgamations with other companies or NBFCs.

In view of the above, it is brought to the notice of the prospective acquirers of NBFCs that acquisition of shares/ takeover of an NBFC without the prior approval of the Reserve Bank shall result in adverse regulatory action by the Reserve Bank, including, cancellation of Certificate of Registration of the concerned NBFC.

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